

HLS 97-2270

ORIGINAL

Regular Session, 1997

HOUSE BILL NO. 1551

BY REPRESENTATIVE ALARIO

TAX/TAXATION: Creates the Louisiana Tax Institute as the official tax law revision commission

AN ACT

To amend and reenact R.S. 24:251 and to enact Chapter 4-A of Title 24 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 24:231 through 235, relative to the revision of the tax laws of the state; to create the Louisiana Tax Institute; to provide for the domicile of the institute; to authorize the institute to assist in the reform, research, and continuous revision of the Louisiana tax laws; to provide that the Louisiana State Law Institute shall seek joint cooperation of the Louisiana Tax Institute in matters of tax law; to provide that the Louisiana Tax Institute shall be the official advisory tax law revision commission; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 24:251 is hereby amended and reenacted and Chapter 4-A of Title 24 of the Louisiana Revised Statutes of 1950, comprised of R.S. 24:231 through 235, is hereby enacted to read as follows:

1 CHAPTER 4-A. LOUISIANA TAX INSTITUTE2 §231. Creation and functions

3 The Louisiana Tax Institute, organized under the authority of the
4 Board of Supervisors of the Louisiana State University and Agricultural
5 and Mechanical College, domiciled at the Public Administration
6 Institute of the Louisiana State University, is chartered, created, and
7 organized as an official advisory tax law revision commission, tax law
8 reform agency, and legal tax research agency of the state of Louisiana.

9 §232. Council; membership, terms; vacancies

10 A. The governing body of the Louisiana Tax Institute or
11 "Institute" shall be a council composed of ex officio members. The ex
12 officio members shall be:

13 (1) The secretary of the Department of Revenue and Taxation
14 or his designee.

15 (2) The commissioner of administration or his designee.

16 (3) The chairman of the House Committee on Ways and Means
17 or his designee.

18 (4) The chairman of the Senate Revenue and Fiscal Affairs
19 Committee or his designee.

20 (5) The president of the Louisiana State Bar Association or his
21 designee.

22 (6) The president of the Society of Louisiana Certified Public
23 Accountants or his designee.

24 (7) The members, as currently designated, of the Council for a
25 Better Louisiana (CABL) Tax Institute Steering Committee.

1 B. The members of the council of the Louisiana Tax Institute
2 shall not be dual members. No person shall hold more than one seat on
3 the council through either self-participation or through a designee.

4 (1) A member of the council of the Louisiana Tax Institute as
5 defined in Paragraphs (1) through (6) of Subsection A of this Section
6 who is also a member of the CABL Tax Institute Steering Committee
7 shall be a member by virtue of the position held as designated in
8 Paragraphs (1) through (6) of Subsection A of this Section. The
9 membership of the dual officeholder on the steering committee shall
10 become nonvoting.

11 (2) A member of the council of the Louisiana Tax Institute as
12 defined in Paragraphs (1) through (4) of Subsection A of this Section,
13 who also holds the office as defined in Paragraph (5) or (6) of
14 Subsection A of this Section, shall be a member by virtue of the
15 position held as designated in Paragraphs (1) through (4) of Subsection
16 A of this Section. While such dual officeholding exists, the
17 membership on the council as defined in Paragraph (5) or (6) in
18 Subsection A of this Section shall be filled by the chairman or his
19 designee of the Taxation Committee of each respective organization.

20 C. The terms of office of the members of the council of the
21 Louisiana Tax Institute shall be continuous during their tenure in the
22 positions as defined in Subsection A of this Section.

23 D. Vacancies in the membership on the council created by
24 death, resignation or otherwise than by the expiration of the terms of
25 office of the memberships as defined in Paragraphs (1) through (6) of
26 Subsection A of this Section, shall be filled by the person designated
27 by the appropriate authority to act in the capacity of the positions as

1 provided in Paragraphs (1) through (6) of Subsection A of this Section.

2 Vacancies occurring on the CABL Tax Institute Steering Committee
3 shall be filled through any rules the steering committee may adopt.

4 §233. Plans of membership; compensation of members of council

5 A. The council and other persons of the Louisiana Tax Institute
6 are empowered to adopt a plan to provide oversight and continuous
7 revision to Title 47, pertinent tax provisions of Title 33, and any other
8 taxation or revenue provisions of the Louisiana Revised Statutes of
9 1950. The council may consider changes made by other state
10 jurisdictions to provide that Louisiana's tax system reasonably
11 conforms to rules of neighboring states, the southeast region, and the
12 nation. In this regard, the council should be directly involved with the
13 Multi-State Tax Commission.

14 B. The members of the council shall serve without
15 compensation. However, the council may fix and pay reasonable
16 compensation to the director of the institute, and, except for the
17 members provided in R.S. 24:232(A)(1) through (4), honoraria to
18 members of the council who perform professional services for the
19 institute as authorized by the council or the institute. Such employment
20 or receipt of payment shall not be deemed a violation of any criminal
21 law punishing the holding of more than one public office or
22 employment in Louisiana.

23 C. The members of the council as provided in R.S.
24 24:232(A)(1) through (4) may not receive compensation or honoraria;
25 however, they are authorized to utilize their staff of state employees,
26 both classified and unclassified, and the use of state time and facilities
27 to provide professional services to the institute. The institute shall pay

1 an honoraria to the state as reimbursement for the services of state
2 employees in a like amount to honoraria paid under Subsection B of
3 this Section to other members of the council.

4 §234. General purpose; duties

5 A. The general purpose for which the Louisiana Tax Institute
6 is formed is to promote and encourage the clarification and
7 simplification of the tax laws of Louisiana and its political
8 subdivisions. To accomplish these goals, the institute shall:

9 (1) Consider needed improvements in both substantive and
10 procedural tax law and make recommendations concerning this to the
11 legislature.

12 (2) Examine and study existing laws of Louisiana to discover
13 defects and inequities in the tax laws and make recommendations
14 concerning these laws.

15 (3) Cooperate with the Multi-State Tax Commission, the
16 Federation of Tax Administrators, the Louisiana Bar Association, the
17 Society of Louisiana Certified Public Accountants, and other
18 organizations to receive, consider, and propose changes to the tax laws
19 as recommended by these bodies.

20 (4) Receive and consider suggestions based on decisions of the
21 Louisiana Board of Tax Appeals, the Louisiana Supreme Court and
22 other Louisiana courts, and the public generally, as to needed changes
23 to existing tax law.

24 (5) Recommend changes in the tax law as needed to modify,
25 conform, and eliminate inequities and to bring the tax law of Louisiana
26 into harmony with other jurisdictions.

1 (6) Render reports, as needed, to the legislature, and if it deems
2 advisable, to accompany its reports with proposed bills to carry out any
3 of its recommendations.

4 (7) Recommend the repeal of obsolete provisions in the tax
5 laws.

6 (8) Organize and conduct meetings and seminars for the
7 discussion of current problems in Louisiana tax laws.

8 (9) Review proposed and pending legislation and make
9 recommendations thereon.

10 B. Legislation submitted on recommendation of the Louisiana
11 Tax Institute shall have affixed to it a digest of the legislation. The
12 digest shall be prepared by the Louisiana Tax Institute. The form and
13 contents of the digest shall be as prescribed by the rules or practice of
14 the legislature for the digests of legislative instruments. The digest
15 shall not constitute a part of the legislation.

16 §235. Reports; advisory capacity; printing and distribution of reports

17 The Louisiana Tax Institute, in submitting reports to the
18 legislature, shall act solely in an advisory capacity. Its reports, studies,
19 and recommended publications shall be printed and shall be distributed
20 through the secretary of state in the same manner as acts of the
21 legislature.

22 * * *

23 §251. Continuous revision under supervision of Louisiana State Law
24 Institute

25 A. The Louisiana State Law Institute, as the official advisory
26 law revision commission of the state of Louisiana, shall direct and
27 supervise the continuous revision, clarification, and coordination of the

1 Louisiana Revised Statutes in a manner not inconsistent with the
2 provisions of this Chapter. In matters of tax law, the Louisiana State
3 Law Institute shall seek joint cooperation of the Louisiana Tax Institute
4 in carrying out the provisions of this Chapter.

5 B. The Louisiana Tax Institute, as the official advisory tax law
6 revision commission of the state of Louisiana, shall, in cooperation
7 with the Louisiana State Law Institute, direct and supervise the
8 continuous revision, clarification, and coordination of the tax laws in
9 the Louisiana Revised Statutes in a manner consistent with the
10 provision of this Chapter.

11 Section 2. This Act shall become effective upon signature by the
12 governor or, if not signed by the governor, upon expiration of the time for bills
13 to become law without signature by the governor, as provided in Article III,
14 Section 18 of the Constitution of Louisiana. If vetoed by the governor and
15 subsequently approved by the legislature, this Act shall become effective on
16 the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

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HB No. 1551

Proposed law creates and organizes the Louisiana Tax Institute under the authority of the Board of Supervisors of Louisiana State University. It shall be domiciled at the Public Administration Institute of Louisiana State University. The institute is organized as an official tax law revision and legal tax research agency of the state. The institute is governed by a council who are ex officio and who are:

- (1) The secretary of the Dept. of Revenue and Taxation or his designee.
- (2) The commissioner of administration or his designee.

- (3) The chairman of the House Committee on Ways and Means or his designee.
- (4) The chairman of the Senate Revenue and Fiscal Affairs Committee or his designee.
- (5) The president of the Louisiana State Bar Association or his designee.
- (6) The president of the Society of Louisiana Certified Public Accountants or his designee.
- (7) The members of the Council for a Better Louisiana Tax Institute Steering Committee.

Proposed law provides that no person shall hold more than one seat on the council. Terms of office are continuous during the tenure in the nominating position. Members of the council serve without compensation, but the council may pay an honoraria to the nongovernmental members who perform professional services for the institute. Governmental members may utilize their respective staffs for service to the institute, in which event the institute shall pay an honoraria to the state as reimbursement for such services.

Proposed law provides that the institute is formed to promote and encourage clarification and simplification of tax laws in Louisiana. In accomplishing these purposes, the institute can study substantive and procedural tax law issues, cooperate with other tax and tax-related entities, receive input from the Board of Tax Appeals and the courts of Louisiana and the public, recommend and comment on changes to the tax law, and make and distribute reports to the legislature.

Proposed law provides that the Louisiana State Law Institute and the Louisiana Tax Institute cooperate in matters involving tax laws.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 24:251; Adds R.S. 24:231-235)